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ZHAOJIN

**ZHAOJIN MINING INDUSTRY COMPANY LIMITED\***

**招金礦業股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1818)**

### **THIRD QUARTERLY REPORT OF 2014**

This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) (the "SFO").

On 21 July 2014, the Company issued the first tranche of the short-term bonds in 2014. The principal amount of the short-term bonds is RMB1 billion with a maturity period of 365 days. Details of the relevant documents relating to the short-term bonds have been published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

Pursuant to the relevant regulations in the PRC, the Company's unaudited quarterly financial statement shall be published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>) during the subsistence period of the short-term bonds.

The following is the unaudited third quarterly consolidated financial information of the Group for the nine months ended 30 September 2014 prepared in accordance with PRC GAAP, which is also published on the websites of ChinaMoney (<http://www.chinamoney.com.cn>) and Shanghai Clearing House (<http://www.shclearing.com>).

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION***Zhaojin Mining Industry Company Limited (Consolidated)*

Unit: RMB Yuan

<b>Asset</b>	<b>31 December 2013</b>	<b>30 September 2014</b>
Current Assets:		
Cash and cash equivalents	1,218,998,443.65	993,213,525.34
Equity investments at fair value through profit or loss	39,149,350.63	79,809,273.93
Notes receivables	19,816,140.00	14,896,356.02
Trade receivables	124,490,933.23	289,523,210.04
Prepayments	874,875,817.93	930,676,393.79
Interest receivables	6,686,261.26	10,197,371.90
Dividends receivables		
Other receivables	2,098,588,784.64	3,199,271,479.37
Inventories	2,656,188,591.12	3,112,140,195.65
Current portion of non-current assets		
Other current assets	31,966.66	
<b>TOTAL CURRENT ASSETS</b>	<b>7,038,826,289.12</b>	<b>8,629,727,806.04</b>
Non-current Assets:		
Available-for-sale financial assets	25,564,878.40	25,564,878.40
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	420,069,831.67	345,369,254.45
Investments in real estates		
Property, plant and equipment	7,403,951,745.73	7,443,153,107.69
Construction in progress	2,445,782,800.39	3,458,222,356.38
Engineering material	14,603,343.07	
Disposal of fixed assets	6,786,978.02	6,121,277.85
Productive biological assets		
Oil and gas assets		
Intangible assets	3,287,712,239.16	3,574,696,514.72
Development expenditure		
Goodwill	874,457,753.61	874,457,753.61
Long-term prepaid expenses	40,009,034.45	36,801,760.46
Deferred tax assets	68,879,727.20	112,503,395.12
Other non-current assets	860,000,000.00	70,000,000.00
<b>TOTAL NON-CURRENT ASSETS</b>	<b>15,447,818,331.70</b>	<b>15,946,890,298.68</b>
<b>TOTAL ASSETS</b>	<b>22,486,644,620.82</b>	<b>24,576,618,104.72</b>

<b>LIABILITIES AND OWNER'S EQUITY</b>	<b>31 December 2013</b>	<b>30 September 2014</b>
<b>Current Liabilities:</b>		
Interest-bearing bank and other borrowings	3,627,744,589.54	2,901,806,828.09
Held for trading financial liabilities	1,555,288,078.98	3,092,068,457.04
Notes payables	30,500,000.00	14,914,396.50
Trade payables	994,501,851.35	987,885,047.22
Advances received	51,280,825.19	57,611,175.24
Employee benefits payables	177,301,405.49	142,735,152.97
Tax payable	195,929,643.58	136,699,781.88
Interest payables	66,403,148.86	186,319,498.16
Dividend payables	51,121,629.39	121,356,000.19
Other payables	298,835,404.26	752,826,692.33
Current portion of other long-term liabilities		
Other current liabilities	3,193,842,175.46	2,499,643,945.56
<b>TOTAL CURRENT LIABILITIES</b>	<b>10,242,748,752.10</b>	<b>10,893,866,975.18</b>
<b>Non-current Liabilities:</b>		
Long-term interest-bearing bank and other borrowings	117,270,766.09	1,447,709,884.09
Corporate bonds	2,192,281,905.51	2,185,615,116.56
Long-term payables	626,024.00	626,024.00
Special payables		
Provision	9,643,116.41	9,209,663.64
Deferred tax liabilities	367,162,463.87	358,300,590.67
Other long term liabilities	310,635,403.36	316,141,303.37
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,997,619,679.24</b>	<b>4,317,602,582.33</b>
<b>TOTAL LIABILITIES</b>	<b>13,240,368,431.34</b>	<b>15,211,469,557.51</b>
<b>INVESTORS' EQUITY:</b>		
Issued share capital	2,965,827,195.00	2,965,827,195.00
Capital surplus	1,656,959,349.10	1,656,959,349.10
Less: treasury stock		
Surplus reserve	714,820,491.85	714,024,129.32
Retained profit	3,061,398,964.94	3,173,407,728.76
Translation gain and loss	-9,308,304.26	-9,560,079.55
Equity attributable to owners of the parent	8,389,697,696.63	8,500,658,322.63
Non-controlling interests	856,578,492.85	864,490,224.58
<b>TOTAL INVESTORS' EQUITY</b>	<b>9,246,276,189.48</b>	<b>9,365,148,547.21</b>
<b>TOTAL LIABILITIES AND INVESTORS' EQUITY</b>	<b>22,486,644,620.82</b>	<b>24,576,618,104.72</b>

**STATEMENT OF FINANCIAL POSITION***Zhaojin Mining Industry Company Limited*

Unit: RMB Yuan

<b>Asset</b>	<b>31 December 2013</b>	<b>30 September 2014</b>
Current Assets		
Cash and cash equivalents	516,695,004.39	490,062,768.71
Equity investments at fair value through profit or loss	25,968,288.32	30,622,534.81
Notes receivable	7,510,600.00	
Trade receivables	87,108,516.37	31,747,803.19
Prepayments	328,573,224.83	377,172,318.55
Interest receivables	271,938,675.38	428,169,321.76
Dividends receivables	187,887,100.14	411,040,080.12
Other receivables	1,171,850,559.47	1,660,476,117.31
Inventories	1,512,478,607.32	1,599,330,437.10
Current portion of other non-current assets		
Other current assets	3,233,300,000.00	3,233,300,000.00
<b>TOTAL CURRENT ASSETS</b>	<b>7,343,310,576.22</b>	<b>8,261,921,381.55</b>
Non-current Assets		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	4,507,916,099.62	4,923,722,559.58
Investments in real estates		
Property, plant and equipment	2,574,851,530.83	2,559,263,700.45
Construction in progress	939,069,810.44	1,474,231,626.73
Engineering material		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	821,349,333.40	752,665,539.21
Development expenditure		
Goodwill		
Long-term prepaid expenses	15,443,842.12	12,838,352.29
Deferred tax assets	63,543,313.36	106,218,187.76
Other long term assets	2,816,750,000.00	2,511,180,000.00
<b>TOTAL NON-CURRENT ASSETS</b>	<b>11,738,923,929.77</b>	<b>12,340,119,966.02</b>
<b>TOTAL ASSETS</b>	<b>19,082,234,505.99</b>	<b>20,602,041,347.57</b>

<b>LIABILITIES AND OWNER'S EQUITY</b>	<b>31 December 2013</b>	<b>30 September 2014</b>
<b>Current Liabilities</b>		
Interest-bearing bank and other borrowings	3,045,510,585.11	2,127,663,149.47
Held for trading financial liabilities	1,555,288,078.98	2,931,955,615.82
Notes payables		
Trade payables	476,515,799.23	344,894,627.67
Advances received	16,837,599.99	51,164,721.33
Employee benefits payables	115,093,848.37	82,593,371.71
Tax payable	96,706,918.92	61,820,425.46
Interest payables	64,888,820.48	175,266,769.82
Dividend payables		86,920,000.00
Other payables	117,410,035.79	312,433,733.04
Current portion of other long-term liabilities		
Other current liabilities	3,193,842,175.46	2,499,643,945.56
<b>TOTAL CURRENT LIABILITIES</b>	<b>8,682,093,862.33</b>	<b>8,674,356,359.88</b>
<b>Non-current Liabilities</b>		
Long-term interest-bearing bank and other borrowings	4,957,272.00	1,199,249,090.00
Corporate bond	2,192,281,905.51	2,185,615,116.56
Long-term payable	17,000.00	17,000.00
Special payable		
Provisions	8,297,393.25	7,863,940.48
Deferred tax liabilities		
Other long term liabilities	208,749,200.00	205,844,200.00
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,414,302,770.76</b>	<b>3,598,589,347.04</b>
<b>TOTAL LIABILITIES</b>	<b>11,096,396,633.09</b>	<b>12,272,945,706.92</b>
<b>INVESTORS' EQUITY</b>		
Issued share capital	2,965,827,195.00	2,965,827,195.00
Capital surplus	1,716,933,867.03	1,716,933,867.03
Less: treasury stock		
Surplus reserve	700,432,956.87	700,432,956.87
Retained profit	2,602,643,854.00	2,945,901,621.75
Translation gain and loss		
Equity attributable to owners of the parent	7,985,837,872.90	8,329,095,640.65
Non-controlling interests		
<b>TOTAL INVESTORS' EQUITY</b>	<b>7,985,837,872.90</b>	<b>8,329,095,640.65</b>
Total liabilities and owner's equity (or shareholder's equity)	19,082,234,505.99	20,602,041,347.57

## CONSOLIDATED INCOME STATEMENT

Zhaojin Mining Industry Company Limited (Consolidated)

Unit: RMB Yuan

Item	Jan-Sep 2014 Amount	Jan-Sep 2013 Amount
(1) REVENUE	4,400,533,139.06	3,658,828,326.86
Less: Cost of sales	2,709,828,740.10	1,815,943,005.09
Taxes and surcharges on operations	70,999,429.58	43,513,205.39
Impairment loss on assets	-74,206,666.23	86,330,582.66
Selling and distribution expenses	82,614,093.76	61,427,528.77
Administrative expenses	734,213,893.67	723,588,616.64
Financial costs	321,778,058.78	238,998,154.23
Plus: Gain or loss from changes in fair values (loss“-”)	38,435,345.62	-5,086,854.50
Investment income Including: Investment income from joint ventures and affiliates	21,214,924.95	28,194,787.49
(2) PROFIT FROM OPERATIONS	614,955,859.97	712,135,167.07
Plus: Non-operating profit	20,641,514.72	36,590,640.59
Less: Non-operating expenses Including: Loss from disposal of non-current assets	33,732,427.18	12,620,747.13
(3) PROFIT BEFORE TAX	601,864,947.51	736,105,060.53
Less: Income tax expense	136,784,853.40	190,953,781.93
(4) NET PROFIT FOR THE YEAR	465,080,094.11	545,151,278.60
Net profit attributable to owners of the parent	408,591,483.32	502,570,435.11
Non-controlling interests income	56,488,610.79	42,580,843.49
(5) EARNINGS PER SHARE		
(i) Basic	0.14	0.17
(ii) Diluted		

## INCOME STATEMENT

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Item	Jan-Sep 2014 Amount	Jan-Sep 2013 Amount
(1) REVENUE	2,372,695,799.73	2,139,180,169.20
Less: Cost of sales	1,407,706,710.72	969,635,705.43
Taxes and surcharges on operations	45,112,401.73	24,675,968.59
Impairment loss on assets	-74,206,666.23	86,352,643.42
Selling and distribution expenses	17,865,382.04	15,868,800.82
Administrative expenses	366,208,829.13	378,279,648.22
Financial costs	372,356,812.82	247,437,859.78
Plus: Gain or loss from changes in fair values (loss“-”)	40,371,151.13	-3,726,774.14
Investment income Including: Investment income from joint ventures and affiliates	437,312,854.20	152,391,456.42
(2) PROFIT FROM OPERATIONS	715,336,334.85	565,594,225.22
Plus: Non-operating profit	7,033,933.19	23,548,057.14
Less: Non-operating expenses Including: Loss from disposal of non-current assets	10,280,779.37	6,767,653.80
(3) PROFIT BEFORE TAX	712,089,488.67	582,374,628.56
Less: Income tax expense	72,249,001.42	139,301,631.33
(4) NET PROFIT FOR THE YEAR	639,840,487.25	443,072,997.23
Net profit attributable to owners of the parent	639,840,487.25	443,072,997.23
Non-controlling interests income		
(5) EARNINGS PER SHARE		
(i) Basic		
(ii) Diluted		

**CONSOLIDATED STATEMENT OF CASH FLOW**  
*Zhaojin Mining Industry Company Limited (Consolidated)*

Unit: RMB Yuan

<b>Item</b>	<b>Jan-Sep 2014 Amount</b>
(1) Cash flows from operating activities	
Cash received from selling and rendering of services	4,278,916,261.68
Government subsidy received	
Cash received relating to other operating activities	212,344,781.61
Sub-total of cash inflows	4,491,261,043.29
Cash paid for goods and services	2,392,493,797.26
Cash paid to and on behalf of employees	571,509,338.84
Cash paid for all types of taxes	537,051,392.01
Cash paid relating to other operating activities	439,262,195.03
Sub-total of cash outflows	3,940,316,723.14
Net cash flows from operating activities	550,944,320.15
(2) Cash flows from investing activities	
Cash received from return of investment	5,000,000.00
Cash received from interest income	16,306,209.08
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,252,983.80
Cash received from disposal of investments	
Cash received from other investing activities	36,050,104.55
Sub-total of cash inflows	58,609,297.43
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,135,523,522.25
Cash paid for investings	503,624,335.00
Cash received from acquisition of subsidiaries and other units	
Cash paid relating to other investing activities	
Sub-total of cash outflows	1,639,147,857.25
Net cash flows from investing activities	-1,580,538,559.82
(3) Cash flows from financing activities	
Cash received by investors	
Cash received from borrowings	7,893,446,190.64
Cash received relating to other financing activities	233,350,579.80
Sub-total of cash inflows	8,126,796,770.44
Cash repayments of borrowings	6,719,889,488.05
Cash paid for distribution of dividends or profits and for interest expenses	413,599,881.95
Cash paid relating to other financing activities	178,063,217.24
Sub-total of cash outflows	7,311,552,587.24
Net cash flows from financing activities	815,244,183.20
(4) Effect of Foreign Exchange Rate Changes on Cash	
(5) Net increase in cash and cash equivalents	-214,350,056.47



## STATEMENT OF CASH FLOWS

Zhaojin Mining Industry Company Limited

Unit: RMB Yuan

Item	Jan-Sep 2014 Amount
(1) Cash flows from operating activities	
Cash received from selling and rendering of services	2,973,949,038.02
Receipts of tax refunds	
Cash received relating to other operating activities	183,575,959.66
Sub-total of cash inflows	3,157,524,997.68
Cash paid for goods and services	1,514,996,323.74
Cash paid to and on behalf of employees	339,634,259.83
Cash paid for all types of taxes	350,078,333.35
Cash paid relating to other operating activities	186,381,518.37
Sub-total of cash outflows	2,391,090,435.29
Net cash flows from operating activities	766,434,562.39
(2) Cash flows from investing activities	
Cash received from return of investment	137,585,356.16
Cash received from interest income	15,237,109.08
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	
Cash received from disposal of subsidiaries and other business units	
Cash received from other investing activities	36,021,371.27
Sub-total of cash inflows	188,843,836.51
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	987,188,685.73
Cash paid for investments	474,694,810.00
Cash received from acquisition of subsidiaries and other business units	
Cash paid relating to other investing activities	
Sub-total of cash outflows	1,461,883,495.73
Net cash flows from investing activities	-1,273,039,659.22
(3) Cash flows from financing activities	
Cash received from investors in making investment in the enterprise	
Cash received from borrowings	7,154,652,565.73
Cash received relating to other financing activities	230,000,000.00
Sub-total of cash inflows	7,384,652,565.73
Cash repayments of borrowings	6,515,215,509.84
Cash paid for distribution of dividends or profits and for interest expenses	294,464,194.74
Cash paid relating to other financing activities	95,000,000.00
Sub-total of cash outflows	6,904,679,704.58
Net cash flows from financing activities	479,972,861.15
(4) Effect of Foreign Exchange Rate Changes on Cash	
(5) Net increase in cash and cash equivalents	-26,632,235.68

The financial information set forth in this announcement is prepared in accordance with PRC GAAP and unaudited. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Announcement is hereby given.

By order of the board  
**Zhaojin Mining Industry Company Limited\***  
*Chairman*  
**Weng Zhanbin**

Zhaoyuan, the PRC, 30 October 2014

As at the date of this announcement, members of the Board comprise:

*Executive Directors:* Mr. Weng Zhanbin, Mr. Li Xiuchen and Mr. Lu Dongshang

*Non-executive Directors:* Mr. Liang Xinjun, Mr. Cong Jianmao, Mr. Xu Xiaoliang and Mr. Kong Fanhe

*Independent non-executive Directors:* Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Xie Jiyuan and Mr. Nie Fengjun

\* *For identification purpose only*